

# House File 19 - Introduced

HOUSE FILE 19

BY HUNTER

## A BILL FOR

- 1 An Act relating to employee leave by providing for time off and
- 2 vacation leave, making penalties applicable, and including
- 3 effective date and applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 91A.2, Code 2015, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 6A. *"Paid time off"* means a benefit  
4 provided by an employer that allows an employee to take time  
5 off from work with pay without regard to the reason the  
6 employee chooses to take the time off.

7 Sec. 2. Section 91A.2, subsection 7, paragraph b, Code 2015,  
8 is amended to read as follows:

9 b. Vacation, holiday, paid time off, sick leave, and  
10 severance payments which are due an employee under an agreement  
11 with the employer or under a policy or practice of the  
12 employer.

13 Sec. 3. Section 91A.4, Code 2015, is amended by striking the  
14 section and inserting in lieu thereof the following:

15 **91A.4 Employment suspension or termination — calculation and**  
16 **payment of wages.**

17 1. If the employment of an employee is suspended or  
18 terminated, an employee's employer shall pay all wages  
19 earned by the employee up to the time of the suspension or  
20 termination, less any lawful deductions specified in section  
21 91A.5, no later than the next regular payday after suspension  
22 or termination, except as follows:

23 a. Earned wages that are the difference between a credit  
24 paid against wages determined on a commission basis and the  
25 wages actually earned on a commission basis shall be paid  
26 by the employer not more than thirty days after the date of  
27 suspension or termination.

28 b. If while employed, an employee earned paid time off  
29 but did not earn vacation, an employer may reduce pay for  
30 accumulated paid time off by up to one-third.

31 c. If while employed, an employee earned both vacation pay  
32 and paid time off, no payment for accrued paid time off is  
33 required.

34 2. An employer shall not adopt a policy or practice of  
35 denying payment for vacation or for paid time off upon the



1 while employed but did not earn vacation, that the employer may  
2 reduce the pay for the accrued paid time off by one-third. For  
3 an employee who earned both vacation and paid time off while  
4 employed, the employer is not required to make payment for the  
5 paid time off.

6 An employer shall not adopt a policy or practice to deny  
7 payment for accrued vacation or accrued paid time off upon the  
8 suspension or termination of an employee unless the employee's  
9 employment ended due to misconduct. Misconduct is not defined  
10 in statute but is defined in the department of workforce  
11 development's administrative rules.

12 The bill provides for the calculation and payment of an  
13 employee's accrued paid time off or vacation if the employee  
14 is suspended or terminated. The amount of such pay owed to an  
15 employee is the amount of pay equal to the accrued vacation or  
16 paid time off as if the employee began taking the vacation or  
17 paid time off the day the suspension or termination took place.

18 Unpaid wages or expenses, along with liquidated damages,  
19 court costs, and attorney's fees, may be recovered by the  
20 employee or the commissioner by civil action under Code chapter  
21 91A. An employer who violates Code chapter 91A is also subject  
22 to a civil penalty of not more than \$500 per pay period for each  
23 violation.

24 The bill takes effect upon enactment. The bill is made  
25 applicable only to the suspension or termination of an  
26 employee's employment that occurs on or after that date.